

**FIRE PROTECTION DISTRICT NO. 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA**

**Annual Financial Report
Year Ended December 31, 2016**

**A Component Unit of the
Pointe Coupee Parish Police Jury**

FIRE PROTECTION DISTRICT NO 2 OF THE
PARISH OF POINTE COUPEE
MORGANZA, LOUISIANA

GOVERNING BOARD

Eugene Serio, Chairperson

Pointe Coupee Police Jury
Appointees

Lyndon Leonards
Mark Ramagos

Village of Morganza
Appointees

Martin Frey
Michael Neal

Meeting Date: Third Monday of Every Month

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Fire Protection District No. 2 of the Parish of Pointe Coupee
Morganza, Louisiana

I have audited the accompanying financial statements of the governmental activities and each major fund of the **FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF POINTE COUPEE, LOUISIANA, (the "District")**, component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana as of December 31, 2016, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 7, and pages 23 and 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and Schedule of Taxable Property Valuations are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is the responsibility of management and was derived directly from the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Schedule of Taxable Property Valuations has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion, or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated June 15, 2017 on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

W. Kathleen Beard, CPA

June 15, 2017

Required Supplementary Information

Management's Discussion and Analysis (MD&A) is a required component of financial statements prepared in accordance with generally accepted accounting principles (GAAP). The MD&A is an analysis of the financial condition and operating results of the District written by management. It introduces the basic financial statements and notes. It introduces the basic financial statements and notes. The MD&A should provide an objective and easily readable analysis of the District's financial activities based on currently known facts, decisions, or conditions.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana

P. O. BOX 66 MORGANZA,
LOUISIANA 70759

MISSION STATEMENT

The District has the responsibility of providing services to the citizens of Fire Protection of District No. 2 in the protection of life and property from the perils of fire and other emergencies, through execution of the latest methods of rescue, first aid, and firefighting.

The District is a volunteer fire service organization maintaining an administration and two fire stations.

The District is dedicated to the preservation of life and property in the community and to continuously improve the capability and delivery of its public service.

The District will manage its fire service task with the highest regard for humanity, safety, property preservation, the environment, cost, and community well-being.

INTRODUCTION

This annual report consists of:

Our independent auditor's report on the financial statements in which she rendered an unqualified opinion.

Management's discussion and analysis which provides in plain language an overview of our financial activities for the year.

The basic financial statements which consists of government-wide financial statements, governmental fund financial statements, and the notes to those financial statements.

The comparison of actual operations for the year compared to the budget.

A schedule of taxable property valuations for the District which indicates the economic growth in the District since inception of the District in 1982.

Our independent auditor's report on the District's compliance with laws and regulations and how management applied internal controls over its financial operations. The result of her tests and observations did not indicate any violations that he considered to be in noncompliance or conditions that required to be disclosed that could affect our operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana, we are pleased to provide an overview of our financial activities for the year ended December 31, 2016 and 2015. The intended

purpose of the Management Discussion and Analysis (MD&A) is to provide an introduction to the basic financial statements and notes, that provides an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions, by providing an easily readable summary of operating results and reasons for changes, which will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities the sources, uses, and changes in resources, adherence to budget, service levels, limitations significant economic factors, and the status of infrastructure and its effects on our debt and operation. When referring to prior years data in this analysis we will be drawing upon information from last years' audited financial report.

Financial Highlights

- The District's net positions increased by \$129,043 from \$1,976,898 in 2015 to \$2,105,941 in 2016.
- Ad valorem taxes increased from \$136,262 to \$158,641 when Assessed Values increased from \$29,979,760 in 2015 to \$33,788,850 in 2016.
- Cash and investments decreased by \$171,798 for the year ended December 31, 2016.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements which are comprised of four components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the financial statements, and (4) other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements (Full Accrual Basis)

The *Government-Wide Financial Statements*, presented on pages 8 and 9 are designed to provide readers with a broad overview of both long-term and near-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

These are two statements of the government-wide statements:

1. The *Statement of Net Position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in *net position* may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
2. The *Statement of Activities* presents information showing how the District's *net position* changed during the most recent fiscal year. All changes in *net position* are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The District's *Government-wide Financial Statements* distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The District's sole operation of fire protection is classified as governmental activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one fund which is categorized as a governmental fund.

Governmental Funds. Governmental funds, presented on pages 10 thru 12, are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental Fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District adopts an annual appropriated budget. A budgetary comparison schedule has been provided for the District's operations to demonstrate compliance with this budget.

Notes to the Financial Statements

The accompanying notes, presented on pages 13 thru 22, provide additional narrative and tabular information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budgetary control, on pages 23 and 24. A tabulation of taxable property valuations is presented on page 25 as supplementary information to assist the reader in understanding the economic growth of the District and the effect it has on operations and fire protection ratings.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Accrual Basis)

As noted earlier, net assets may serve over time as a useful indicator of the District's financial position. At the end of the most recent year, the assets of the District exceeded its liabilities by \$2,105,941.

The District's total assets are mainly composed of \$1,023,260 (48.28%) in cash and investments and \$917,437 (43.29%) investment in capital assets (land, buildings, vehicles and equipment, etc.). The District uses these capital assets to provide fire protection services to residents and businesses that encompasses the area from Morganza Spillway Control Structure to Pointe Coupee Central School to Ravenswood; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of unrestricted net assets, \$1,188,504, may be used to meet the District's future operations.

SUMMARY OF NET POSITION

	<u>2016</u>	<u>2015</u>	% Change
Current and other assets	\$ 1,201,881	\$ 1,347,293	-10.79%
Capital assets (net)	917,437	646,257	41.96%
Total assets	<u>2,119,318</u>	<u>1,993,549</u>	6.31%
Current and other liabilities (includes short-term lease)	13,377	16,652	-19.67%
Long-term lease obligations	-	-	
Total Liabilities	<u>13,377</u>	<u>16,652</u>	-19.67%
Net position			
Investment in capital assets	917,437	646,257	41.96%
Unrestricted	1,188,504	1,330,641	-10.68%
Total net position	<u>\$ 2,105,941</u>	<u>\$ 1,976,898</u>	6.53%

The District's total revenues increased by 3.33% from \$317,052 in 2015 to \$327,621 in 2016. Total expenses increased by 16.29% from \$170,763 in 2015 to \$198,577 in 2016.

SUMMARY OF CHANGES IN NET POSITION

	<u>2016</u>	<u>2015</u>	% Change
Revenue:			
Taxes	\$ 158,641	\$ 136,262	16.42%
Intergovernmental revenue	168,177	179,968	-6.55%
Interest earned	803	822	-2.31%
Loss on disposal of capital assets	-	-	100.00%
Total revenues	<u>327,621</u>	<u>317,052</u>	3.33%
Expenses:			
Operating	101,227	87,952	15.09%
Interest on long-term debt	-	-	-100.00%
Depreciation	97,350	82,811	17.56%
Total expenses	<u>198,577</u>	<u>170,763</u>	16.29%
Total Change in net position	<u>\$ 129,044</u>	<u>\$ 146,290</u>	-11.79%

GOVERNMENTAL FUND FINANCIAL ANALYSIS

As noted earlier, the District uses fund accounting (modified accrual) to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. The fund balance of the District decreased by \$143,254 during the current year.

BUDGETARY HIGHLIGHTS

The District's annual budget is the legally adopted expenditure control document of the District. A budgetary comparison statement is required and can be found on pages 23 and 24. This statement compares the original adopted budget, the budget if amended throughout the year, and the actual expenditures prepared on a budgetary basis.

Actual revenues of \$327,621 exceeded budgeted revenues of \$279,150 by \$48,471 while actual expenditures of \$470,875 were under budgetary expenditures of \$861,595 by \$390,720.

CAPITAL ASSETS

At December 31, 2016 and 2015, the District had \$917,437 and \$646,257, respectively, invested in a broad range of capital assets, including land, buildings, vehicles, and equipment. Further detail on capital assets is presented in Note 6 on page 20.

During the year, \$368,531 was acquired in capital- assets (Vehicle).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District serves a population estimated at 1,700. Although the District does not have paid firefighters, through the efforts of approximately 35 volunteers, the District has attained a IRC Rating of 4. The insurance rates for the taxpayers in the District were lowered due mainly to acquisitions and improvements to equipment and the efforts of the volunteer firemen.

Management considered the following factors when setting the budget for the year ended December 31, 2017:

- The District does not anticipate any grants for acquisitions
- The capital outlay budget includes \$469,676. One vehicle was re-budgeted since it was not completed in 2016.

Such long range projections assist management in evaluating acquisitions or replacements to keep the fire insurance rating at a level that will return fire protection and an economic benefit to its taxpayers.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. If you have questions about this report or need additional financial information, contact Mark Ramagos, Commissioner for the Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana at (225) 694-3655.

Basic Financial Statements

The *Government-Wide Financial Statements*, presented on pages 8 “Statement of Net Position” and 9 “Statement of Activities”, are designed to provide readers with a broad overview of the District’s finances, in a manner similar to a private-sector business. The Statement of Net Position includes capital assets and long-term debt and the Statement of Activities include depreciation as an expense of operations.

The *Governmental Fund*, presented on pages 10 “Balance Sheet”, 11 “Statement of Revenues, Expenditures, and Changes in Fund Balance” and are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements except that the Balance Sheet does not report capital assets or long-term debt and the Statement of Revenues, Expenditures, and Changes in Fund Balance includes capital acquisitions, annual debt service, and excludes depreciation as presented on page 12 “Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities.”

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Statement of Net Position
December 31, 2016

Governmental Activities

ASSETS:

Cash and cash equivalents	\$	740,868
Investments		282,392
Receivables		
Taxes - Ad valorem		155,930
Intergovernmental		13,877
Accrued interest on investments		299
Prepays		8,515
Capital assets:		
Non-depreicable:		39,675
Depreciable (net)		877,762
Total Capital Assets (net)		917,437
Total assets		2,119,318

LIABILITIES:

Accounts payable and accrued expenses		6,684
Amount due Sheriff's retirement system		6,693
Total liabilities		13,377

NET POSITION:

Net investment in capital assets		917,437
Unrestricted		1,188,504
Total net position	\$	2,105,941

The accompanying notes to the financial statements are an integral part of this statement

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Statement of Activities
For the Year Ended December 31, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities -					
Public safety	\$ 198,577	\$ -	\$ -	\$ -	\$ (198,577)
Total governmental activities	198,577	-	-	-	(198,577)

General revenues

Ad valorem taxes	158,641
Public safety sales and use tax	159,310
Fire insurance rebate	7,137
State revenue sharing	1,687
Interest income	803
Miscellaneous income	43

Total general revenues	327,621
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Change in net position	129,044
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Net position, January 1,	1,976,898
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Net position, December 31,	\$ 2,105,941
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The accompanying notes to the financial statements are an integral part of this statement.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Balance Sheet
Governmental Funds - General Fund
December 31, 2016

ASSETS	
Cash and cash equivalents	\$ 740,868
Investments	282,392
Receivables -	
Taxes - Ad valorem	155,930
Intergovernmental	13,877
Accrued interest on investments	299

Total Assets	\$1,193,366

LIABILITIES AND FUND BALANCES	
Accounts payable and accrued liabilities	\$ 6,684
Amount due Sheriff's retirement system	6,693
Total Liabilities	13,377
Fund Balances -	
Unassigned	1,179,989
Total Fund Balances	1,179,989
Total Liabilities and Fund Balances	\$ 1,193,366

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

Fund Balances - total governmental funds	\$ 1,179,989
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Prepaid premiums reported in governmental activities are not current financial resources, and therefore are not reported in the Balance Sheet of governmental funds	8,515
Capital assets used in governmental activities are not financial resources therefore are not reported in governmental funds	
Governmental capital assets	1,916,348
Less: accumulated depreciation	(998,910)
	917,438
Net Position of Governmental Activities	\$ 2,105,941

The accompanying notes to the financial statements are an integral part of this statement.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - General Fund
For the Year ended December 31, 2016

REVENUES:	
Taxes -	
Ad valorem	\$ 158,641
Intergovernmental -	
Parish sales tax apportionment	159,310
State fire insurance rebate	7,137
State revenue sharing	1,687
Interest income	803
Miscellaneous income	43
Total revenues	<u>327,621</u>
EXPENDITURES:	
Current	
Public safety	102,344
Capital outlay	<u>368,531</u>
Total expenditures	<u>470,875</u>
Excess Revenues Over (Under) Expenditures	(143,254)
Net Change in Fund Balances	<u>(143,254)</u>
FUND BALANCE:	
Beginning of Year	<u>1,323,243</u>
End of Year	<u><u>\$ 1,179,989</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year ended December 31, 2016

Net Change in Fund Balances - total governmental funds	\$	(143,254)
<p>Amounts reported for governmental activities in Statement of Net Position are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:</p>		
<p>Prepaid items for insurance premiums are not reported in the Balance Sheet - Governmental Funds</p>		
Current year		8,515
Prior year		(7,398)
Expenditures for capital assets		368,531
Less current year depreciation		(97,350)
		272,297
Change in Net Position of Governmental Activities	\$	129,043

The accompanying notes to the financial statements are an integral part of this statement.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

NOTE 1 - INTRODUCTION

On July 14, 1981, the 4th Ward Fire Protection District of the Parish of Pointe Coupee, Louisiana was re-designated Fire Protection District No. 2 of the Parish of Pointe Coupee (the "District") by a resolution of the Pointe Coupee Parish Police Jury under authority of Louisiana Revised Statute 40:1491. The District operates under a commission form of government and provides fire protection services to all the territory situated within the limits of Pointe Coupee Election Districts 3, as said Election District was constituted in 1981. The District has two employees. Labor is furnished through a intergovernmental service agreement with the local volunteer firefighters.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, issued in June 1999.

Reporting Entity

As stated previously, the District was created by a resolution of the Pointe Coupee Parish Police Jury in 1981 and is a political subdivision of the Pointe Coupee Parish Police Jury. The District does not possess all of the corporate powers necessary to make it a legally separate entity from the Pointe Coupee Parish Police Jury, which holds the District's corporate powers. For this reason, the District is a component unit of the Pointe Coupee Parish Police Jury, the financial reporting entity.

In accordance with LRS 40:1494, the District is managed by a board of five commissioners. Two commissioners are appointed by the Pointe Coupee Parish Police Jury and two are appointed by the Village of Morganza. These four commissioners then appoint the fifth to act as chairperson.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the financial statements must present the District (primary government) and its components. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of Proprietary Fund financial statements but differs from the manner which governmental fund financial statements are prepared. Governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues.

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and presented in a single column.

The governmental funds are accounted for on the "flow of current financial resources" measurement focus. This measurement focus is based on the concept of accountability, which includes measuring inter-period equity whether current year revenues were sufficient to pay for the current year services.

Governmental Funds

Governmental Funds are those through which the District functions are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial resources rather than upon determination of net income. The following are the District's major Governmental Funds:

General Fund

The General Fund is the District's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund. Ad valorem taxes revenues, revenues from parish sales tax and revenue sharing, state fire insurance rebate and other receipts not allocated by law or contractual agreement to other funds are accounted for in this fund. Similarly, general operating expenditures, fixed charges and capital improvement costs are paid from this fund.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Accrual Basis - Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred. Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Property taxes are reported in the period for which levied. Other non-exchange revenues, including intergovernmental revenues and grants, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual - Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants and interest on investment. The District considers all revenue (with the exception of the expenditure-driven grants) as available if they are collected within sixty (60) days after year end. Intergovernmental revenues and grants are recognized when all eligibility requirements are met and the revenues are available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt, which are recognized when due and payable. The governmental fund financial statements are presented on the modified accrual basis of accounting.

Assets, Liabilities, and Equity

Cash and Investments

Cash and cash equivalents include demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with a bank organized under Louisiana law, or of any other state of the United States, or under the laws of the United States.

State statutes authorize the District to invest in United States bonds, treasury notes and bills, or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. These are classified as investments if their original maturities exceed 90 days.

Cash deposits and investments are reported at carrying amount which reasonably estimates fair value.

Receivables

Receivables consist of all revenues earned at year-end and not yet received.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

Inventories and Prepaids

Immaterial inventories for supplies, and expenditures for insurance or similar services that extend over more than one reporting period are accounted for as expenditures in the period paid.

Capital Assets, Depreciation, and Amortization

The District's property and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The District generally capitalizes assets with cost of \$500 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Uniforms and protective gear which are susceptible to excessive wear and tear and fire code regulations are expense when incurred.

When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Capital assets are depreciated using the straight-line method over the estimated useful lives, in years, for depreciable assets as follows:

Building	40 Years
Vehicles	15 Years
Firefighting equipment and tools	10 Years
Radios and paging equipment	10 Years
Fire hydrants and water supply lines	25 Years
Furniture, fixtures and office equipment	5 - 12 Years

Long-Term Obligations/Capital Leases

In the government-wide financial statements, long-term debt and capital lease commitments are reported as liabilities in the statement of net assets. In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources and the repayment of debt as debt service expenditures.

Fund Equity and Net Position

Government-wide net position displayed in three components:

- Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - Consists of net assets with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or law through constitutional provisions or enabling legislation
- Unrestricted net position - All other net assets that do not meet the definition of "restricted" or "net investment in capital assets".

Restricted or unrestricted net position is considered spent when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

Property Taxes

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property were to be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax District. The assessor is required to re-appraise all property very four years.

The Sheriff of Pointe Coupee Parish, as provided by State Law, is the official tax collector of general property taxes levied by the Parish. By agreement, the Sheriff receives a commission of approximately 4.30%. The millage rates are adopted in late October. The taxes are levied and notices are mailed out in mid-November of the year. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State Law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If taxes are not paid by the due date of December 31, the taxes bear interest at one and one-fourth percent (1.25%) per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are usually collected in November and December of the year. Any amounts not collected at December 31 are shown as accounts receivable. For the year ended December 31, 2016, taxes of \$160,146 were levied on property with taxable valuations totaling \$31,036,020 at the rate of 5.160 mills. Taxes are levied for the purpose of maintaining and operating the District's fire protection facilities, for purchasing fire trucks and other firefighting equipment and paying the cost of obtaining water for fire protection purposes, including charges for fire hydrant rentals and service and for the purpose of paying the cost of acquiring, improving, or constructing fire protection facilities of the Fire Protection District, constituting works of public improvement, title to which shall be in the public.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

Deferred Outflows of Resources and Deferred Inflows of Resources

In December 2010, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The District has no items that qualify for reporting in this category.

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Governmental revenue and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements, which govern the District's operations.

The budget has been adopted on a basis consistent with generally accepted accounting principles - modified accrual basis. Budgetary comparisons presented in this report are on this budgetary basis. Unencumbered appropriations for annually budgeted funds lapse at fiscal year end.

The appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source and expenditures are budgeted by function. Budget revisions at this level are subject to final review by the Board. The legal level of control is by function within the General Fund. Expenditures may not exceed appropriations at this level. Revisions to the budget were made throughout the year.

For the year ended December 31, 2016, actual revenues exceeded budgeted revenues by \$48,471, or 17.4%. The increase in revenue was due to an increase in Ad Valorem tax received in 2016. Additionally, actual expenditures were less than budgeted expenditures by \$390,720, or 54.7% due to capital outlay budgeted for fire truck that was not purchased and re-budgeted in 2017.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

NOTE 4 - CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

At December 31, 2016, the District had cash and cash equivalents (book balances) totaling \$740,868:

	2016
Demand deposits	\$ 740,868

These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by Federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2016, the District had \$741,767 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance and \$491,767 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 2).

INVESTMENTS

Investments are categorized into these three categories of custodial credit risk:

1. Insured or registered, or securities held by the entity or its agent in the entity's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the entity's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the entity's name

At December 31 2016 the District had investment balances as follows:

Type of Investment	Category			Carrying Amount			Total Carrying Amount
	1	2	3	Fair Value	Amortized Cost	Cost	
Certificate of Deposits	\$ 282,392	\$ -	\$ -	\$ 282,392	N/A	\$ 282,392	\$ 282,392
Total Investments	\$ 282,392	\$ -	\$ -	\$ 282,392	\$ -	\$ 282,392	\$ 282,392

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

NOTE 5 - INTERGOVERNMENTAL RECEIVABLES

The following amounts are due from other governmental entities at December 31, 2016:

Pointe Coupee Parish Sales Tax	<u>\$ 13,877</u>
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NOTE 6 - CAPITAL ASSETS

A summary of changes in capital assets follows, current depreciation of \$97,350 is reported Public safety - fire expense:

	Balance 1/1/2016	Increases	Decreases	Balance 12/31/2016
Governmental Activities				
Non-depreciable: Land	\$ 39,675	\$ -	\$ -	\$ 39,675
Total Non-depreciable	39,675	-	-	39,675
Depreciable:				
Buildings	144,783	-	-	144,783
Vehicles	1,049,167	368,531	-	1,417,698
Firefighting equipment and tools	177,779	-	-	177,779
Radios and paging equipment	127,434	-	-	127,434
Furniture, fixtures and equipment	4,119	-	-	4,119
Fire hydrants and water supply lines	4,860	-	-	4,860
Total Depreciable	1,508,142	368,531	-	1,876,673
Total Capital Assets	1,547,817	368,531	-	1,916,348
Less: Accumulated depreciation				
Buildings	(56,990)	(3,581)	-	(60,571)
Vehicles	(620,849)	(77,164)	-	(698,013)
Firefighting equipment and tools	(156,799)	(3,609)	-	(160,408)
Radios and paging equipment	(58,091)	(12,743)	-	(70,835)
Furniture, fixtures and equipment	(4,061)	(58)	-	(4,119)
Fire hydrants and water supply lines	(4,771)	(194)	-	(4,965)
Total Accumulated Depreciation	(901,560)	(97,350)	-	(998,910)
Total Depreciable, net	606,582			877,762
Capital Assets, net	<u>\$ 646,257</u>			<u>\$ 917,437</u>

Depreciation expense charged to functions of the primary government as follows:

Public safety - fire	<u>\$ 97,350</u>
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Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

NOTE 7 - FUND BALANCE REPORTING

GASB 54 categorizes fund balance as either nonspendable or spendable. Nonspendable is defined as the portion of fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Spendable is defined as a hierarchy of fund balance classifications that is available to be spent based on the element to which the District is bound to observe constraints imposed upon the use of resources:

- Restricted fund balance is constrained by external parties, constitutional provisions or enabling legislation. The District had no restricted fund balance.
- Committed fund balance can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board of Commissioners. These amounts cannot be used for any other purpose unless the board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District had no committed fund balance.
- Assigned fund balances that are constrained by the Board of Commissioners to be used for a specific purpose. The District's Board of Commissioners has not assigned any amounts at year-end.
- Unassigned fund balance is the residual classification for the General Fund.

The District's General Fund's fund balance of \$1,179,989 was classified as unassigned at year end.

Because the District has only unassigned fund balances it has not adopted policies regarding the order of use.

NOTE 8 - RISK RETENTION

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee medical insurance; and natural disasters. The District carries commercial insurance for risks of loss or damage to property, general liability, and medical insurance. There were no significant reductions in insurance coverage in 2016 from coverage in the prior years. Settled claims have not exceeded this commercial coverage in the past three fiscal years.

NOTE 9 - LITIGATION AND CLAIMS

There were no judgments, claims or similar contingencies pending against the District at December 31, 2016.

NOTE 10 - RETIREMENT

Employees of the District are members of the social security retirement system. The District has no further liability for retirement commitments.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
(A Component Unit of the Pointe Coupee Parish Police Jury)
Notes to the Financial Statements
Year Ended December 31, 2016

NOTE 11 - SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through June 15, 2017 the date the financial statements were issued.

NOTE 12 - COMPENSATION PAID TO BOARD MEMBERS

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, compensation paid to board members is as follows:

Members of The Board of Commissioners:

	Salary
Eugene Serio, Chairman	\$ 300
Mark Ramagos, Secretary-Treasurer	2,800
Lyndon Leonards	300
Martin Frey	300
Michael Neal	300
	<u>\$ 4,000</u>

Required Supplementary Information

The following Budgetary Comparison Schedule - General Fund is required by GASB 34. The schedule presents the original adopted budget and final budget for the fiscal year and compares the final budget to actual operations of the District.

State Law requires the District to amend it's budget when projected actual revenues and surplus is 5% below the adopted budget or when projected actual expenditures exceed 5% of the adopted budget.

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2016

	Budget Amounts <u>Original/Final</u>	Actual Amounts Budgetary Basis <u>(See Note 1)</u>	Variance with Final Budget <u>Over (Under)</u>
Revenues			
Taxes -			
Ad valorem	115,000	158,641	43,641
Intergovernmental -			
Parish sales tax apportionment	155,000	159,310	4,310
State fire insurance rebate	6,500	7,137	637
State revenue sharing	1,800	1,687	(113)
Miscellaneous revenues -			
Interest earned	850	803	(47)
Other	-	43	43
Total Revenue	<u>279,150</u>	<u>327,621</u>	<u>48,471</u>
Expenditures			
Current operations -			
Administrative -			
Board Members' Per Diem	1,500	1,200	300
Administrative salaries	6,720	6,791	(71)
Payroll taxes - FICA	625	681	(56)
Audit fee	6,000	6,000	-
Accounting fees	2,500	3,245	(745)
Tax collector fees	6,000	6,693	(693)
Computer support	3,000	2,398	602
Communications - 911	10,000	8,416	1,585
Dispatcher expense	-	7,200	(7,200)
Bank charges	500	44	456
Office supplies & postage	500	645	(145)
Telephone	1,500	2,111	(611)
Miscellaneous	1,250	624	626
Total administrative	<u>40,095</u>	<u>46,050</u>	<u>(5,955)</u>
Training -			
Training classes	1,000	850	150
Fire prevention & promotion	1,000	91	909
Subscriptions	1,000	175	825
Total training	<u>3,000</u>	<u>1,116</u>	<u>1,884</u>
Vehicle Maintenance -			
Vehicle - fuel and oil	1,000	3,668	(2,668)
Vehicle - maintenance & repair	10,000	5,323	4,677
Licenses	-	81	(81)
Total vehicle maintenance	<u>11,000</u>	<u>9,072</u>	<u>1,928</u>

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2016

	Budget Amounts <u>Original/Final</u>	Actual Amounts Budgetary Basis <u>(See Note 1)</u>	Variance with Final Budget <u>Over (Under)</u>
Equipment maintenance -			
Equipment - maintenance & repair	2,500	3,528	(1,028)
SCBA tests and repairs	3,500	3,966	(466)
Hose testing	4,000	3,413	588
Hydrant testing	4,000	1,470	2,530
Radios/pagers - maintenance & repair	1,000	3,347	(2,347)
Supplies and small equipment	2,000	871	1,129
Firehouse software upgrade	4,000	-	4,000
Total equipment maintenance	21,000	16,594	4,406
Building & grounds maintenance -			
Building maintenance & repair	5,000	3,594	1,406
Utilities	3,000	3,230	(230)
Total building & grounds maintenance	8,000	6,823	1,177
Insurance -			
Vehicles	15,000	17,009	(2,009)
General liability	5,000	4,229	771
Accident and sickness	11,500	1,304	10,196
Total insurance	31,500	22,542	8,958
Supplies -			
Uniforms and jackets	500	146	354
Total supplies	500	146	354
Capital outlay -			
Buildings	2,500	-	2,500
Firefighting equipment and tools	740,000	368,531	371,469
Uniforms and protective gear	4,000	-	4,000
Total capital outlays	746,500	368,531	377,969
Total expenditures	861,595	470,875	390,720
Excess Revenues over (under) expenditure	(582,445)	(143,254)	439,191
Fund balance, January 1	\$ 941,297	\$ 1,323,243	(381,946)
Fund Balance, December 31	\$ 358,852	\$ 1,179,989	\$ 57,246

Notes to Budgetary Comparison Schedule:

1. The Budget is prepared using the Modified Accrual Basis of Accounting (GAAP)
2. There were no amendments to the 2016 Budget

Other Information

FIRE PROTECTION DISTRICT NO. 2
 OF THE PARISH OF POINTE COUPEE
 MORGANZA, LOUISIANA
 TAXABLE PROPERTY VALUATIONS
 SINCE INCEPTION
 (UNAUDITED)

<u>Year</u>	<u>Mills Levied</u>	<u>Assessed Value</u>	<u>Homestead Value</u>	<u>Taxable Value</u>	<u>Tax to be Paid by Taxpayer</u>	<u>Homestead Exemption</u>	<u>Total Tax</u>
1982	3.00	\$9,844,498	\$1,572,051	\$8,272,447	\$24,818	\$4,716	\$29,534
1983	3.00	11,546,004	1,568,652	9,977,352	29,932	4,706	34,638
1984	3.00	9,048,974	1,600,534	7,448,440	22,346	4,802	27,147
1985	3.00	12,170,902	1,608,671	10,562,231	31,687	4,826	36,513
1986	4.01	9,524,387	1,626,432	7,897,925	31,671	6,523	38,194
1987	4.01	8,599,802	1,634,263	6,965,539	27,932	6,554	34,487
1988	4.01	8,780,793	1,504,641	7,276,152	29,177	6,034	35,212
1989	4.01	8,954,817	1,507,232	7,447,585	29,865	6,045	35,910
1990	4.01	7,964,444	1,487,812	6,476,632	25,971	8,967	31,938
1991	4.01	8,699,622	1,478,362	7,221,260	28,957	5,929	34,886
1992	3.56	9,730,755	1,508,185	8,222,570	29,272	5,369	34,642
1993	3.43	10,217,576	1,476,375	8,741,201	29,983	5,064	35,047
1994	3.43	10,041,022	1,510,806	8,530,216	29,259	5,182	34,442
1995	3.43	9,689,747	1,552,866	8,136,881	27,910	5,327	33,237
1996	3.33	10,109,490	1,666,851	8,442,639	28,115	5,551	33,666
1997	3.46	10,007,485	1,703,636	8,303,849	28,732	5,895	34,626
1998	3.69	9,483,904	1,724,425	7,759,479	28,633	6,364	34,997
1999	3.69	9,705,504	1,724,360	7,981,144	29,451	6,363	35,815
2000	4.82	10,201,106	1,819,110	8,381,996	40,402	8,768	49,170
2001	4.82	9,812,471	1,888,340	7,924,131	38,195	9,102	47,297
2002	4.82	9,664,547	1,930,545	7,734,002	37,278	9,306	46,584
2003	4.82	11,840,202	1,912,140	9,928,062	47,854	9,217	57,070
2004	5.03	13,942,695	2,038,490	11,904,205	59,878	10,254	70,133
2005	5.12	14,419,505	2,045,660	12,373,845	63,354	10,474	73,827
2006	5.12	17,735,696	2,080,930	15,654,766	80,152	10,654	90,807
2007	5.12	19,236,525	2,144,110	17,092,415	87,513	10,978	98,491
2008	4.37	22,343,958	2,261,120	20,082,838	87,762	9,881	97,644
2009	4.37	19,365,215	2,288,920	17,076,295	74,624	10,003	84,627
2010	4.54	20,197,035	2,282,370	17,914,665	81,333	10,362	91,695
2011	5.00	19,516,925	2,266,040	17,250,885	86,254	11,330	97,585
2012	5.16	24,994,930	2,259,710	22,735,220	117,314	11,660	128,974
2013	5.16	28,043,050	2,249,260	25,793,790	133,096	11,606	144,702
2014	5.16	24,787,780	2,301,910	27,089,690	127,905	11,878	139,783
2015	5.16	29,979,760	2,310,260	27,669,500	142,775	11,921	154,696
2016	5.16	33,788,850	2,752,830	31,036,020	160,146	14,205	174,351

Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
A Component Unit of the Pointe Coupee Parish Police Jury
Schedule of Compensation, Benefits and Other Payments to
Agency Head or Chief Executive Officer

December 31, 2016

Agency Head Name: Eugene Serio, Chairperson

	Amount
Purpose:	
Salary	\$ 300
Benefits - insurance	0
Benefits - retirement	0
Benefits - employer paid social security and medicare	23
Car allowance	0
Vehicle provided by government	0
Per diem	0
Reimbursements	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Meals	0
	\$ 323

Other Reports Required By *Government Audit Standards*

The following pages contain a report on compliance with laws and regulations and on internal control over financial reporting as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any deficiencies and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF THE BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**Board of Commissioners
Fire Protection District No. 2 of the
Parish of Pointe Coupee
Morganza, Louisiana**

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the **FIRE PROTECTION DISTRICT NO. 2 OF THE PARISH OF POINTE COUPEE, LOUISIANA (the "District")**, a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued my report thereon dated June 15, 2017.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employee, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

W. Kathleen Beard, CPA

June 15, 2017

**Fire Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
Current Year Findings and Responses
For the Years Ended December 31, 2016**

Summary of Audit Results

Financial Statements

Type of auditor's report issued: Unmodified

Report on Internal Control and Compliance Material to the Financial Statements

Material Weaknesses Yes No

Significant deficiencies Yes No

Noncompliance Material to the Financial Statements Yes No

Federal Awards

N/A – Federal awards below \$500,000 thresh hold required by OMB Circular A- 133

Management Letter

No management letter was issued.

**Protection District No. 2 of the Parish of Pointe Coupee, Louisiana
Prior Year Findings and Responses
For the Years Ended December 31, 2016**

Section I – Internal Control and Compliance Material to the Financial Statements

No Findings